



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

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SOLAR PARK STILL ON COURSE WITH THE RELEASE OF THE DRAFT IRP

Pretoria, 18 October 2010 - In response to concerted queries the Department of Energy would like to point out that the release of the country's electricity master plan known as IRP2010 does not render the process of establishing the solar park in the Northern Cape superfluous.

We wish to reiterate that the Integrated Resource Plan 2 (IRP2010) is a draft document which requires comments from the public before it is finally approved by cabinet later this year. The IRP 2010 is a 20 year plan that is designed to provide a comprehensive policy framework and energy mix to guide our country's future electricity expansion.

Energy Minister, Dipuo Peters, said: "A woefully wrong impression is being created that presupposes that, in view of the fact that the current draft IRP2010 only makes provision for the target of 600 megawatts by 2017, then it follows that the Northern Cape Solar Park will not happen as it falls outside of the IRP. This is not the case".

"Realistic targets for electricity generation can only be included in the IRP once we have completed the feasibility studies which will provide certainty with regard to, amongst others, the necessary core data with regard to the time frames for the implementation of the envisaged solar park, the scale of its operations, the mix of solar technologies that will be used to generate electricity using the sun rays as well as mechanisms that are needed to secure integration into the national grid", Minister Peters added.

The department of energy is committed to initiating large-scale solar projects in order to contribute to the security of energy supply. It is in this respect that the prefeasibility study that was conducted by the Clinton Climate Initiative confirmed that 5 GW of cost effective electricity generation is achievable through the deployment of solar projects. This has to be done in a manner that allows for the realization of the benefits offered by the economies of scale and scope.

The draft IRP is written with enough flexibility to accommodate the Solar Park concept. The Solar Park presents us with the real arsenal to deploy technology that can replace the fossil-fired power generation. It must also be noted that in the IRP itself, under renewable energy, there is already a provision for 7200 MW of wind, Concentrated Solar Power (CSP), biomass as well as other renewables. This invariably gives us the ability to deploy renewable energy technologies as and when they mature.

Minister Peters has reiterated government's commitment that '30% of new generation capacity will be produced by independent power producers'. The development of a large scale Solar Park will be a significant part of this mix once government has the benefit of reviewing the current draft that is out for public comment.

Deputy President Motlanthe is on record that the Northern Cape needs to be helped by central government to realize its full potential and he has subsequently stated that the development of a large scale solar power will happen as part of the 2010 FIFA World Cup legacy projects. The Northern Cape has the advantage of this untapped power source which needs to be exploited. The presence of vast tracks of land and the clear skies accompanying bear testimony that we can use our natural beauty for the benefit of all our people.

Finally, Minister Peters has urged the IRPs Technical Task Team and the officials in the department to continue to engage with data as and when it is readily available with a view of enhancing the IRP. These are expected to include, amongst others, the determination of the 20 year solar power trajectory for our country.

Minister Peters has re-affirmed her commitment to the development of the Solar Park in the Northern Cape by the end of the decade. Accordingly investors and developers who are keen to assess the opportunities offered by the envisaged development of a Solar Park are encouraged to attend the Uppington conference scheduled to take place on 28-29 October this month.

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